

**Before the  
FEDERAL COMMUNICATIONS COMMISSION  
Washington, D.C. 20554**

In the Matter of	)	
	)	
The Effect of Foreign Mobile Termination Rates	)	IB Docket No. 04-398
on U.S. Customers	)	

**REPLY COMMENTS OF ENTUA**

The Enterprise Networking Technologies Association (ENTUA) submits these reply comments concerning the Commission's Notice of Inquiry regarding the effect of foreign mobile termination rates on U.S. customers. ENTUA is an independent association comprised of large business customers. Our members represent all sectors of the economy and all regions of the United States. Many are Fortune 500 companies with significant international operations, and collectively our members spend hundreds of millions of dollars on telecommunications products from U.S. telecommunications providers annually.

In February of 2004, ENTUA wrote to Chairman Powell regarding the Commission's ongoing inquiry into international settlement rates (IB Docket Nos. 96-261 and 02-324), applauding the positive impact of settlement rate benchmarks on the prices our members pay for international calls. That letter also raised concerns regarding two growing trends in international services markets: exorbitant mobile termination rates and unilateral rate increases.

ENTUA must emphasize once again the impact felt by its members from high mobile termination rates imposed abroad. Since our comments last year, the impact of these high rates has only become worse, as our members are now paying surcharges in more countries and often at even higher rates. Furthermore, the number of calls that are now terminating on mobile phones is also growing. These factors, coupled with mobile rates that are far above costs, result in large and growing international telecommunications expenses. This raises our members' costs of their global business operations, while benefiting foreign carriers who certainly are more than recovering their costs.

Clearly, foreign carriers have no incentive to lower these rates, and foreign regulators' actions to date have had little impact on these charges. Therefore, ENTUA believes the FCC must take action to lower these high mobile termination rates towards cost. ENTUA members experienced first-hand the positive and dramatic impact the FCC's 1997 settlement rate "benchmarks" had on lowering settlement rates and international calling prices. New benchmarks for mobile termination should be developed and implemented as soon as possible. As before, this approach will effectively cap these exorbitant rates paid by U.S. carriers and callers, and begin the process of lowering these rates to cost.

ENTUA is also aware that the Mexican government is contemplating changing to a "Calling Party Pays" system for international mobile calls terminating in Mexico. If adopted, this will undoubtedly result in high mobile termination charges assessed to US-originated calls. Given the large amount of traffic that ENTUA members send to

Mexico, such a change on this one route alone will dramatically increase the worldwide amounts paid for mobile termination, and noticeably increase members' overall global communications costs. Therefore, ENTUA strongly encourages the Commission to work with its Mexican counterparts to eliminate or minimize the impact such a change would have on U.S. callers.

ENTUA applauds the Commission for launching this proceeding on this very important issue to U.S. companies, and asks the Commission to take action as soon as possible to address high mobile termination rates.

Respectfully submitted,

ENTUA

By

A handwritten signature in black ink, appearing to read "Lois Engel". The signature is written in a cursive, flowing style.

Lois Engel  
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Dated: February 14, 2005